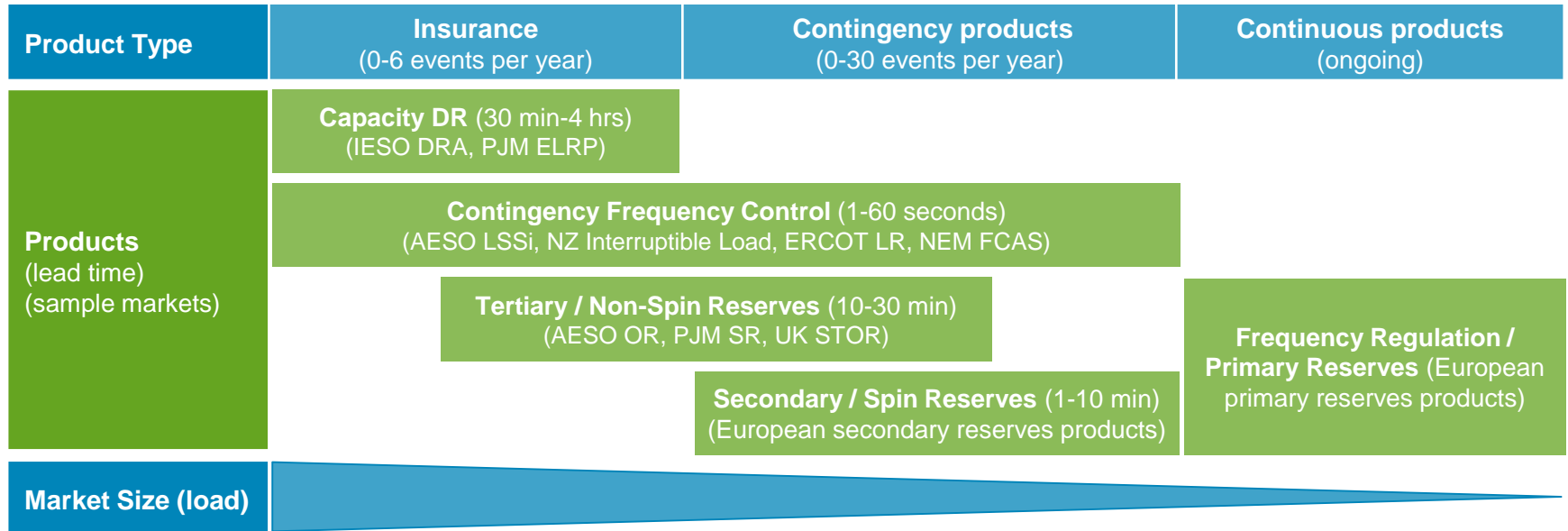




Building Flexibility into the Electricity System

IESO 2017 Stakeholder Summit | June 12, 2017

Demand response can play a role across a spectrum of market use cases



In order for flexible loads to be fully utilized in Ontario, two key barriers should be removed

Aggregation

IESO current state

- Aggregation not allowed

Markets with fewer barriers:

- AESO OR, AESO LSSi, PJM SRM, NZ IL, UK FCDM all allow DR aggregation

Telemetry

- Connectivity to IESO in real-time
- High granularity

- PJM SRM, NZ IL have no real-time telemetry requirements
- AESO OR, ISO-NE >30 second interval requirements

Key principles to maximize value of demand resources to serve IESO flexibility needs

1. Allow aggregation of non-dispatchable loads in Operating Reserves
2. Adapt telemetry standards to accommodate aggregation while meeting IESO needs
3. Allow for dual participation across products
4. Ensure ramp rate requirements not overly burdensome
5. Allow for flexibility in offers (e.g., change MW volumes hourly)
6. Technology agnostic (e.g., allow BTM batteries)